

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Southern California Gas Company (U 904 G) Regarding Year Eleven (2004-2005) of Its Gas Cost Incentive Mechanism.

Application 05-06-030
(Filed June 15, 2005)

ADMINISTRATIVE LAW JUDGE'S RULING

A prehearing conference was held in this proceeding on January 10, 2006 to discuss the issues in this proceeding, to determine if hearings are needed, and the procedural schedule for resolving this proceeding. At the prehearing conference, Southern California Gas Company (SoCalGas), the Division of Ratepayer Advocates (DRA), and The Utility Reform Network (TURN) were given until February 17, 2006 to file a joint recommendation regarding the concerns that DRA had raised in its November 30, 2005 Gas Cost Incentive Mechanism (GCIM) Year 11 Monitoring and Evaluation Report. Parties were also given until March 3, 2006 to file responses to the joint recommendation, and to state whether an evidentiary hearing should be held or if a draft decision should be prepared.

DRA, TURN, and SoCalGas filed their joint recommendation on February 17, 2006. According to the joint recommendation, the GCIM changes and clarifications in the joint recommendation "would resolve the storage-related concerns expressed in DRA's Report, while providing SoCalGas' core customers

with somewhat additional flexibility with respect to storage injections.” (Joint Recommendation, p. 2.)

Separate responses to the joint recommendation were filed by Southern California Edison Company (SCE) and the Southern California Generation Coalition (SCGC). SCE and SCGC both noted that they had sent out data requests after receiving the joint recommendation. SCE requests that it be allowed to respond to the question of whether evidentiary hearings are needed after responses to the data request are received.

The parties should be given time to review the responses to the data requests before deciding whether an evidentiary hearing is needed in this proceeding. Accordingly, the parties may file and serve a response to this ruling on or before April 3, 2006 on whether an evidentiary hearing should be held, or if a draft decision can be prepared based on the application, DRA’s report, the joint recommendation, and any other document that the parties are willing to stipulate to the admission of. If an evidentiary hearing is needed, the response should contain a proposed schedule for serving prepared testimony and hearing dates.

Following the filing of the responses, a scoping memo and ruling will be prepared that will identify the issues, whether an evidentiary hearing will be held or if a draft decision can be prepared, and the procedural schedule to resolve the issues in this proceeding.

Therefore, **IT IS RULED** that the parties to this proceeding may file and serve a response to this ruling by April 3, 2006 on whether an evidentiary hearing should be held in this proceeding, or if a draft decision should be prepared without holding an evidentiary hearing.

Dated March 16, 2006, at San Francisco, California.

/s/ JOHN S.WONG
John S. Wong
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling on all parties of record in this proceeding or their attorneys of record.

Dated March 16, 2006, at San Francisco, California.

/s/ TERESITA C. GALLARDO

Teresita C. Gallardo

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.